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AUTHOR Johnson, Tera; Jonas, Peter M.
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ABSTRACT

Principles of developing a comprehensive planning model for a college are considered, and experiences in using the strategic planning model at Cardinal Stritch College (Wisconsin) are addressed. Important components of the planning process are articulating a mission, determining parameters and objectives while completing internal and external analyses, implementing strategies, allocating resources, and providing accountability. It is the organization, emphasis, and implementation of major components that dictate success of strategic planning. A thorough analysis of the external environment is the underlying linkage uniting the components of the entire process. Five principles of a participatory style are identified, and the following steps in strategic planning are discussed: (1) preparation and communication, (2) data collection and internal/external analysis, (3) selecting the planning team, (4) conducting the first planning session, (5) communicating the draft plan, (6) using action plan teams, (7) conducting the second planning session, (8) preparing the summary plan for the Board of Trustees' approval, (9) implementation, and (10) annual updates. The participatory planning model at the college includes an environmental scanning committee to collect and synthesize information on trends in the economy and in higher education that are likely to affect the college in the future. (SW)

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Participative Strategic Planning with an Eye Toward Economic Analysis

May 1995

Tera Johnson, M.S.
Assistant Dean, Business and Management Division
Cardinal Stritch College
Madison, WI
1-800-383-3308
tera@acs.stritch.edu

Peter M. Jonas, Ph.D.
Assistant Dean, Business and Management Division
Cardinal Stritch College
6801 N. Yates Road
Milwaukee, WI 53217
1-800-347-8822
pjonas@acs.stritch.edu

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Abstract

Developing a comprehensive planning model for a college or university involves creating or adapting processes to serve the unique characteristics of an institution. Identifying beliefs, a mission, parameters, and objectives, while completing internal and external analyses, implementing strategies, allocating resources and providing accountability are vital components of a comprehensive planning process. While the individual elements of different planning systems are similar, it is in the organization and emphasis of major components that dictate success. A thorough analysis of the external environment is the underlying linkage connecting and uniting the components of the entire process. This paper will use the strategic planning model and experiences of Cardinal Stritch College as a practical example while explaining the generic theoretical principles.

AIR

for Management Research, Policy Analysis, and Planning

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Jean Endo
Editor
AIR Forum Publications

Introduction

In this era of reduced budgets, increasing competition, and growing questions about the value of higher education, the need for strategic planning has become more important than ever. The discipline and basic components of strategic planning are beginning to be documented in the academic literature while institutions of higher education have started to embrace the concept. While every institution is unique, strategic planning adheres to several basic guidelines. Successful planning models depend on the emphasis and organization of the particular steps. Moreover, using the past to build on the future preserves the history and integrity of the institution. Therefore, planning must pay particular attention to the time frames, cycles, and sequences of institutional life. Strategic planning transforms the basic fabric of the organization by opening lines of communication for decision-making and allowing greater participation in planning for the future of the institution.

Educational organizations preferring participative strategic planning often find dissatisfaction resulting from a lack of understanding in the overall process. Participation, however, is not enough. Meaningful participation is necessary, especially at liberal arts colleges that often find faculty and staff stretched to their limits as they struggle to survive in an increasingly volatile fiscal environment. Extending the lines of communication must be a priority so that administrators, faculty, staff, students and the community actively contribute to the planning process taking ownership of the systems. Individuals become active in making the future work for an institution rather than having the future happen to an institution.

A successful strategic position, developed in the early stages of the planning process, and based on a thorough environmental scan alleviates frustrations with the planning process. Tangible results are more powerful and easily identified when everyone understands where they

are designed to lead. Integrating meaningful external analysis into a participatory planning process is challenging for any organization. In academia, some of the very foundations of the culture, including faculty roles and rewards, the intangible nature of the product itself, and a strong commitment to academic integrity make it difficult for participants to view what they do as part of a competitive environment. A thorough analysis of the external environment enables an institution to target its efforts toward areas where they are most likely to be successful. In this way, the external analysis proves to be a unifying component. Further planning efforts, instead of generating wish-lists, can create meaningful strategies for these targeted areas. In this way, planning drives the budget instead of the budget driving the plans.

Philosophy of Planning

Strategic plan ing redefines what is realistic. Therefore, leaders and not managers, must lead strategic planning. However, planning is a basic responsibility of the entire community and should occur at all levels of the institution. Leaders must be chosen through internal support systems and not simply assigned to this task. These are key elements when opting for a participative process.

A process involving comprehensive participation by the college community is difficult to enact and control. Controlling the planning process once it has started is just as important as developing it initially. It must not be developed as just another process within an organization already burdened with too many processes. Successful strategic planning must become part of the every day working environment and structure of the institution. This is a slow transformation but to be truly effective, strategic planning must become ingrained in the decision-making system, the budget process and goal setting. Strategic planning does not replace long-range planning or comprehensive planning, or even program planning, it should enhance them.

Developing a comprehensive planning model for a college or university involves creating or adapting processes to serve the unique characteristics of an institution. Clearly articulating a mission, parameters, and objectives, while completing internal and external analysis, implementing strategies, allocating resources and providing accountability are vital components of a successful planning process. These elements should be present at every postsecondary institution for achieving change objectives. The components of various planning systems are similar but it is the organization, emphasis and implementation that will dictate the success and preserve the uniqueness of strategic planning.

Key Elements

Strategic planning is not superior to other management functions; it is one of the basic management functions along with the fundamental operational tasks. Planning must become integrated into the daily operations of the institution and must not be a separate entity.

Cardinal Stritch College has developed a unique comprehensive participative planning model that includes processes of environmental scanning, "bottom-up" planning and true participation by the entire institution and local community. Individuals involved directly with the day-to-day functional operations not only develop Action Plans but are accountable for implementation. Moreover, it is through consensus that decisions are made. Because everyone in the institution has responsibility for specific areas, these experts are the ones that should make suggestions and decisions. This is vital for the community members to take ownership of the system. This model links strategic planning directly to budgeting and implementation by ensuring that planning drives the budget instead of the budget driving the plan. In the end, there should be a transformation of the institution so that as many individuals as possible have input into planning, take responsibility for it and feel that they are active participants instead of innocent bystanders.

Five Principles (Assumptions) of Participatory Style

1. The person doing the job is the expert. Individuals are responsible to the institution and there is reciprocity, the institution is responsible to the individual.
2. That which is strategic must be validated by the operation; anything which is operational must have a strategic content. Strategies must be developed before a participatory style is possible.
3. Accountability, Authority, and Information are always equal and proceed in that order. The person accountable for a task has the authority (resources) and will provide the information.
4. No one should participate in decision-making outside of his/her area of accountability, authority, or information.
5. Decisions should be made at the point of action. Accountability is not shared, although different levels of accountability may be assigned (Cook, 1990).

Strategic planning is a continuous process. While there is no appeal procedure in strategic planning, there is self-correction. When a decision is made, the system supports it, placing all resources and information at the disposal of decision makers. The administration must support strategic planning or it will not be successful. A failed attempt at strategic planning will create so much cynicism that it will be a long time before support exists for another attempt at planning.

Types of Planning: How to Start

Strategic planning is not the answer to all of the problems within an institution. In fact, strategic planning works most efficiently when it is implemented during of times of stability. This proactive approach proves to be valuable during times of crises. Strategic planning should also be implemented in conjunction with established systems and other methods of planning.

All of these components must be encased in the concept of continuous improvement. The direction of the institution must be coordinated with the operating systems. For example, if a

system is working perfectly, yet it is out-dated, it will lead to failure. Strategic planning assists with making the necessary corrections within the systems so the institution moves beyond the status quo into adjusting for future developments.

External Analysis

In order to stay abreast of environmental changes that may affect the future of a college or university, it is necessary to establish a systematic method of collecting information regarding both internal and external influences. However, it is quite difficult for any individual to be knowledgeable of all occurrences that may affect an institution and it often requires special expertise to realize how an isolated incident or an emerging trend might impact an organization in the future. Because each postsecondary institution has a distinct mission and specific goals, a single incident may affect different educational institutions in different ways. An institution must tailor for itself specific sources of internal and external information, devise a method to collect the information, and effectively use the information in a planning process (Popovics, 1990).

Strategic Planning: The Discipline and Process

In strategic planning the process and the discipline are two different entities. The basic elements listed below comprise the strategic planning discipline. The process is the full implementation and specific ordering of the steps. A strategic plan will only remain a piece of paper until it is implemented. The process is the strength of the plan. With strategic planning, the majority of the problems, as well as accomplishments, occur after the plan has been developed and implementation takes place. (This is where the vision becomes a reality.)

The discipline includes the basic components of strategic planning: completing an internal and external analysis; reviewing the institution's strengths, weaknesses, opportunities and threats; examining the critical issues; and ultimately developing objectives and strategies. While these

components are similar to many strategic planning models, it is the timing and organization that make them valuable. In fact, it is the synthesis and continuous development of these components within the planning process that spells the difference between success and failure.

Strategic Planning Process

1. **Preparation and Communication:** There are two phases necessary in the early stages of strategic planning: preparation and communication. The college community must be active participants in the development of any strategic planning process. This obviously promotes ownership but it also helps everyone understand the system while becoming acquainted with the definitions and overall procedures. Moreover, communication builds support and prepares the community for the work to come. This particular step should not be minimized.

2. **Data collection--Internal/external Analysis:** An important early step is the evaluation of the current state of affairs. The process of examining the external environment (expert analysis and environmental scanning) and internal environment (assessment and institutional research) should produce in-depth analyses, utilizing the expertise of a multiplicity of individuals and comprehensive measures.

3. **Select the Planning Team:** A Planning Team is selected based on a combination of roles and characteristics of individuals. A matrix method of determining individuals on the Planning Team is a good way of selecting the team members. One axis of the matrix contains the various roles (student, faculty, dean, parent, alumni, etc.) and the other axis contains the characteristics (male/female, traditional age/older student, white/non-white, etc.). Members of the Planning Team are selected to reflect different perspectives of the entire institution, not specific interest groups.

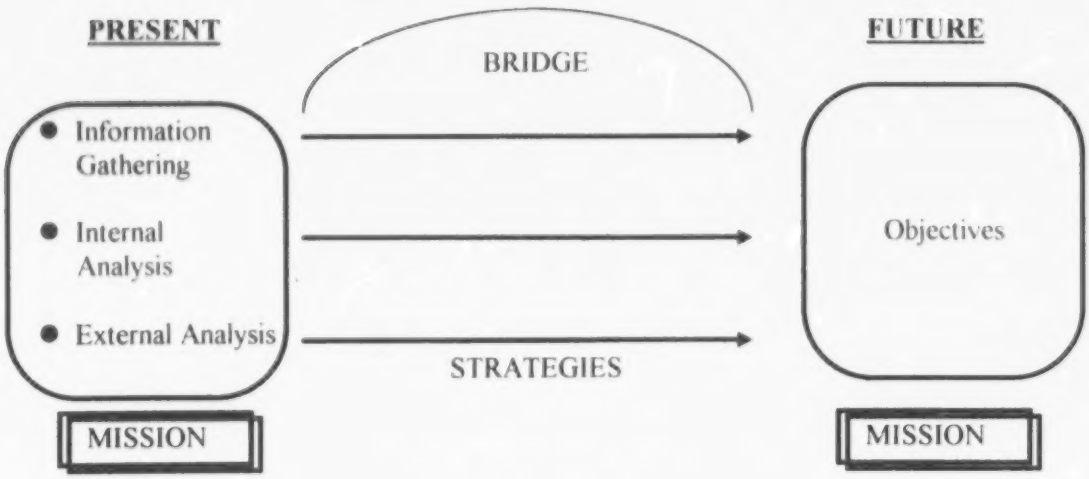
4. **Conduct first planning session:** At a two- or three-day retreat, the Planning Team works intensely to develop a set of core beliefs, a working mission statement and a set of parameters, examine the internal and external environment, analyze the competition, perform an organizational critique, define the critical issues, formulate objectives, and design strategies to meet the objectives. The process is assisted through environmental scanning. Strong analysis prior to meeting is important so that a solid foundation is constructed.

These basic components of the planning discipline comprise the basis of the draft strategic plan. This discipline is common to many forms of strategic planning, what differs is the involvement of diverse members of the community and the planning process.

5. **Communicate Draft Plan:** The results of the planning retreat are formulated into a document and distributed to the entire institution. As in the initial stages of communication, dissemination of documentation and information serves to explain the process further while answering questions and increasing the level of participation.

6. **Action Plan Teams:** The Planning Team formulates the vision of the institution. Concrete action steps are necessary to make the vision a reality. The bridge between the vision and the reality are the strategies and subsequent set of Action Plans developed by the Action Teams. For every strategy one Action Team is organized, comprised of members from all areas of the institution and community. They are experts in their fields and responsible for daily operations related to the strategies. The Action Teams are charged with the mission of formulating plans to carry out the strategies. This is accomplished through a thorough strategy analysis, information gathering, creative problem solving and action plan writing. Specific steps for each Action Plan are identified, along with cost-benefit analyses. This is one of the first steps linking planning to the budget.

Strategic Planning: The Bridge to the Future



7. **Conduct second planning session:** The Planning Team reconvenes at a second retreat to review the Action Plans. Options available to the team are to accept, reject, or send back the plans to the Action Teams for more information or revisions. The plans returned to the Action Teams for revision are reviewed at a third Planning Team retreat, where they are accepted or rejected. The Planning Team then prioritizes the Action Plans.

8. **Prepare the summary plan for Board of Trustees approval:** In the final analysis, the organization's leadership is responsible for the functioning of the institution and must approve or reject the strategic plan. The president presents the strategic plan to the Board of Trustees for approval with full financial disclosure at this time.

9. **Implementation:** After the Action Plans are prioritized, a series of Job Accountability workshops are conducted where every plan is assigned to individuals who are then held accountable for their completion. This process is done vertically and horizontally within the institution, bringing the functions of the individuals in line with the objectives of the strategic plan.

Three main goals are accomplished by the Job Accountability workshops: communication, responsibility for the Action Plans is assigned; and job accountabilities are developed for individuals within the institution. This is a crucial step that sees the full realization of strategic planning in addition to transforming the thinking of individuals from traditional job descriptions to thinking in terms of job accountabilities. This is conducted to ensure the results-oriented aspect of the strategic plan, emphasizing the mission and objectives of the institution. Strategic planning should not be a separate entity within the institution, it must be integrated into the operational activities.

10. **Annual updates:** The plan is established for a five-year period, and the Planning Team reconvenes on an annual basis, reviewing the progress of the plans and making adjustments as necessary. The planning process transforms the institution as it becomes part of the accountability for the individuals and the departments, escalating into the driving force behind the budget (Cook, 1990). This process is repeated every year, but should become easier as time goes on. Typically, it will take three to four years before an institution starts to think in terms of strategic planning and strategic management.

The Environmental Scan and Participatory Strategic Planning: Challenges to Integration

The participatory planning model Cardinal Stritch College developed includes an Environmental Scanning Committee (ESC) whose responsibility is to collect and synthesize information on trends in the economy and higher education that are likely to affect the College in the future. This committee should be comprised of faculty and professional staff members appointed by the President based on their areas of expertise in economics, legislation, technology, and society. The committee forwards planning concerns related to external influences to the

President and top administrators in an advisory capacity. By collecting and interrelating information, its focus is primarily on issues which may affect the institution as a whole. The Director of Institutional Research chairs the committee.

The ESC assists in the development of the scanning process. Initially, a working list of materials to be scanned are selected from publications listed in the American Council of Life Insurance Trends Assessment Program (Renfro and Morrison, 1983, pp. 32-33). Members of the ESC also suggest publications from their own areas of expertise which would appropriately supplement the list. Additionally, individuals within the institution should add local, state, and national publications as deemed appropriate. The library staff proves to be invaluable resources by reviewing the list, making recommendations and citing sources available.

Each member of the Environmental Scanning Committee select publications to read and scan on a continuous basis. Then, the committee invites members of the faculty, administration, and student body to volunteer in the scanning process. A quarterly newsletter is developed and distributed throughout the institution as a method to keep everyone informed of external developments that should be considered in planning processes at departmental and college-wide levels. The various scanners systematically read the different publications and send relevant articles or summaries to the Office of Institutional Research. Through assistance from the ESC, the most relevant articles are selected to be published in the newsletters.

Moreover, contributions are logged and housed in a scanning file for future reference. A filing system has evolved and it is continuously updated. It includes such topics as the economy, enrollment management, faculty issues, general information, the job market, minorities, new-traditional students, politics, tests and measurement, and student activities.

Prior to the initial meeting of the Planning Team, members received a preparatory report that included information collected by the Environmental Scanning Committee. The report contained a wealth of information on future trends. Although participants were conscientious about coming to the meeting prepared, a number of obstacles made integrating the information into strategy development difficult.

First, the volume of information contained in the scan made it difficult for team members to synthesize and apply within the planning process. Two intense days of meetings designed to identify the values, mission, and strategies for the institution left little time for a subcommittee of the planning team to identify strategic priorities based on the scan.

A second limitation grew out of the diverse nature of the institution itself. Cardinal Stritch College is a good example of the "New Liberal Arts College". The College has three divisions, Liberal Arts, Business and Management, and Teacher Education. Both the Business and Management and Teacher Education Divisions contain substantial nontraditional programs in terms of both delivery and demographic profile of the students populations. As a result, the three divisions, and even regions within the division, compete with other institutions in very different markets. This multiplicity of student populations and markets makes deriving generic competitive strategies for the entire institution extremely difficult, regardless of the specificity of the data.

Finally, the participatory model itself, because it brings the responsibility for planning to the "lowest" level possible in the institution, places the responsibility for deriving strategies with members of the College community who are not accustomed to thinking about academia as a competitive industry. For example, faculty members tend to be rewarded for their contributions to the body of knowledge in their academic field to effectively share expertise with students. It is

a disconcerting leap, therefore, for faculty to think about what they teach and how they teach in terms of what other Colleges are doing.

This tendency to pursue activities regardless of the competitive environment is something that is not unique to academe. Businesses that historically enjoyed dominant market positions are equally myopic. The trouble is, a shrinking traditional student population and the labor intensity of teaching have put incredible fiscal pressure on educational institutions. Survival will require both strategic planning and strategic thinking. Does this mean that participatory planning can never be strategic in an academic environment?

Making Participatory Planning more Strategic

With strategic planning well into its second year at the College, efforts are underway to bring more strategic focus to the process. The Environmental Scanning Committee continues to operate since the kind of global information it accumulates continues to be a valuable piece of the environmental scanning puzzle. At this point in the planning cycle, however, more targeted analysis of the markets within each division will be necessary.

The programs contained in each of the divisions have all performed some kind of comparison of their programs to those of the competition at the administrative level. These comparisons are not necessarily systematic ones, however, nor do they use uniform methodologies. The goal at this point, therefore, is to develop a systematic approach that is generic enough to be applied by all of the divisions which will generate the kind of data needed to tailor divisional strategies to the various competitive environments they operate in. The approach we are developing includes three components: a benchmarking study of the competition, an analysis of student satisfaction (outcomes assessment), and an analysis of how economic trends are likely to affect demand for specific program offerings.

In generic terms, benchmarking is a process that begins with the systematic identification of the characteristics of process outputs as they are experienced by students. In an educational environment, the process would be the educational experience, culminating in a degree. Tuition, course offerings, majors, convenience, student services support, to name a few, are all characteristics of the process that students experience while pursuing their degree. Once these characteristics are identified, major competitors are targeted for systematic comparisons.

The second component, student satisfaction, can be measured in a number of ways. A comprehensive outcomes assessment program that includes attitudinal surveys is already in place at the College. The challenge here becomes taking the outcomes assessment data and desegregating it by program. However, divisions will have to perform an even more targeted survey of student needs for this component to yield the kind of data needed. For example, programs organized in a nontraditional format often provide nontraditional delivery systems, and learning how students experience such services will be critical to the development of targeted strategies. Finally, individuals within the divisions are most likely to be able to glean the implications of global economic trends for their specific programs. Here an interface with the Environmental Scanning Committee is necessary.

It is hoped that by developing a more systematic market analysis mechanism for implementation at the divisional level, the divisions will be able to articulate their own strategies, keeping in mind the College-wide priorities as identified by the planning team during earlier planning efforts. On-going dialogue with the College-wide planning process will continue, since the emergence of more focused divisional priorities may cause the institution as a whole to rethink some of its priorities. The point is, this is an on-going process, one requiring continued involvement and dialogue.

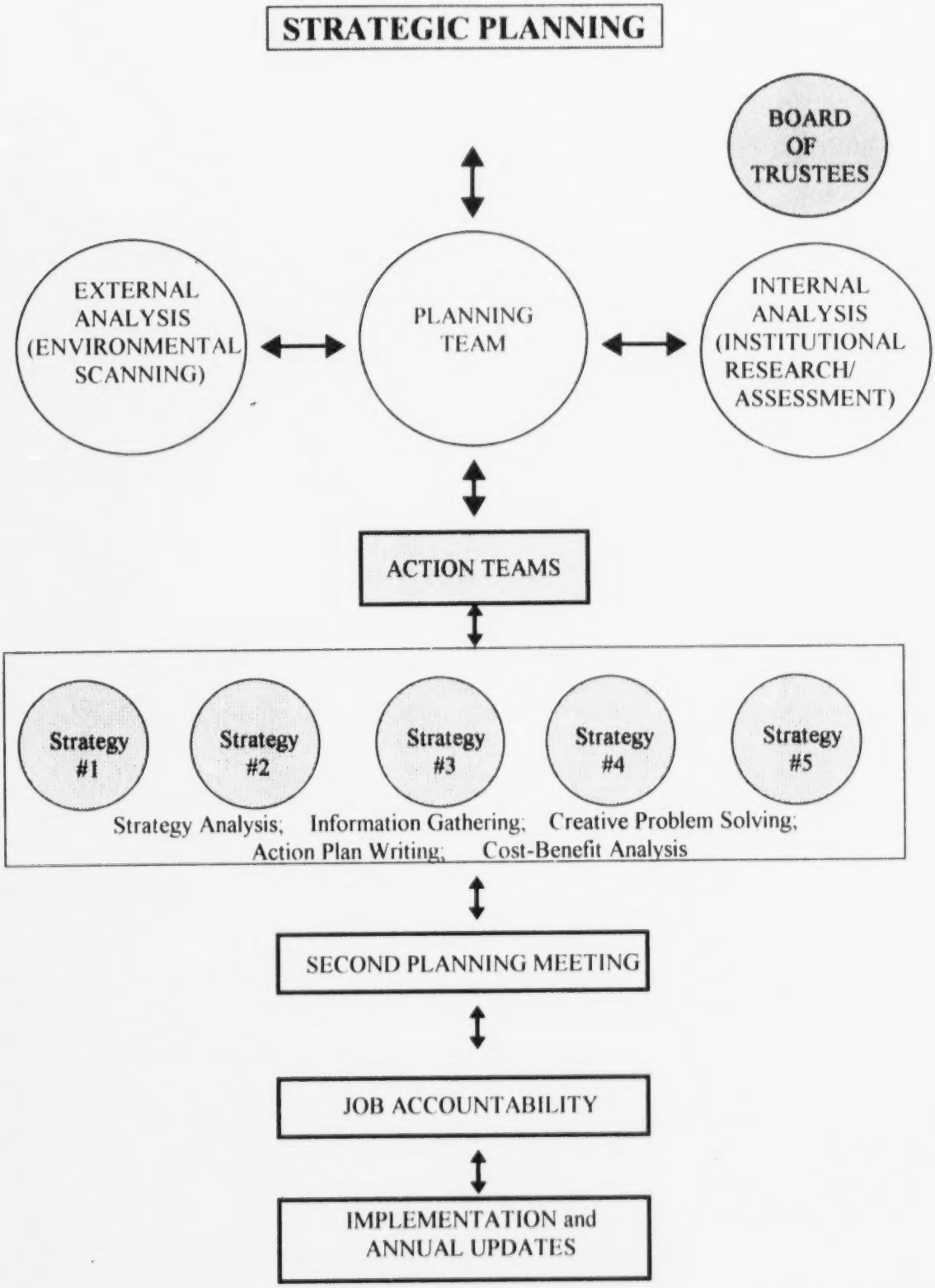
There is no Finish Line

Developing institutional and divisional goals within an updated context of strategic planning is an essential component for operational planning and implementation. Formatting the structure into a daily routine moves the institution in the appropriate direction. Successful strategic planning revolves around continuous improvement as it is reviewed and updated on an annual basis. While working on a five-year plan, the specific elements are adjusted accordingly every year with oversight by the Planning Team. The Action Teams are also reconvened annually to update and write new Action Plans, if necessary. In addition, the external environment is constantly monitored to provide valuable information for currency of the strategic plan. This makes the strategic plan a living document while ensuring the institution actively participates in any changes or revisions.

This form of strategic planning is a comprehensive and truly participative process. It is related directly to the institution and should be used to develop yearly goals for individuals, as well as departments. It leads to improved institutional effectiveness while working to ensure that the goals are achieved in a fiscally sound environment.

Strategic planning is like running a marathon, it takes a great deal of training and hard work, but it is worth the effort. As you prepare for a marathon, the training becomes more than just another activity in your life, it becomes a new way of life. Every aspect of the marathon must be examined and scripted, otherwise you will constantly be "putting out fires" or "hitting the wall." The collection of internal and external information ensures that the training and race plan are structurally sound and functional. Similar to strategic planning, your body goes through a transformation as you shed the excess fat and strive for efficiency. Even with years of training and full implementation you are not assured of being successful, but at least you have a fighting

chance by planning. After completing the marathon you need time to recover before training starts for the next journey. There is always someone faster and younger who is training just a little harder. The competition is a never resting and you must be ready. In essence there is no finish line because the training, or strategic planning process, is more important than the race itself. This is a transformation to become healthier, stronger and better conditioned for a competitive world.



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